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STATE OF MAINE

Citizen Trade Policy Commission

October 4, 2012

Ms. Jean Grier
Senior Procurement Negotiator
Office of the United States Trade Representative
600 17th Street, NW
Washington, DC 20508

Dear Ms. Grier,

Please accept our sincere appreciation for your participation at the meeting held by the Maine Citizen Trade Policy Commission (CTPC) on September 19, 2012. Your comments were timely, informative, helpful and clear. We feel very fortunate that you were able to take the time to speak with us over the phone in spite of what we assume is an incredibly demanding schedule.

As you know, the CTPC dedicates itself to staying informed about international trade policy and how it impacts our state. We conduct biennial assessments of specific areas of interest with regard to trade policy; our most recent dealt with the Trans Pacific Partnership Agreement (TPPA) and was completed this summer. A copy of that assessment can be found on our website at: <http://www.maine.gov/legis/opla/citpolassessments.htm>

In addition to expressing our gratitude for your participation at our last meeting, we wanted to point out statements that we found particularly helpful and informative.

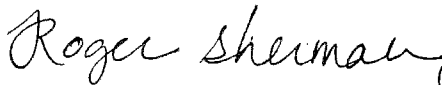
- In response to our question as to the potential negotiations for state-level procurement provisions in the TPPA, you stated that the USTR is committed to the same process of consulting with the states that has been used in other trade agreements. You assured us that USTR will seek state input if TPPA includes sub-federal level procurement provisions. We've established our strong support for state input. Not only are we one of the 37 states which have stated we want to be consulted with regard to procurement, we have also enacted legislation that requires the Governor to receive approval from the Maine Legislature to either opt in or opt out of the procurement provisions in international trade agreements. That requirement can be found at 10 MRSA §13. Subsection 5 of this law reads:


5. Legislative approval of trade agreement required. Unless the Legislature by proper enactment of a law authorizes the Governor or another official of the State to enter into the specific proposed trade agreement, the State may not be bound by that trade agreement.

- You also spoke to our concerns regarding potential changes to the WTO Agreement on Government Procurement (GPA), stating that any changes to that umbrella agreement will only apply to procurement on the federal level. We have been aware of the pressure being applied by the European Union with regard to changes to the GPA in order for them to have greater access to state-level procurement opportunities. We are relieved to know that the USTR will support maintaining the provisions of the GPA that enable states to opt in or opt out of procurement provisions in trade agreements and that the USTR won't bind states in any way unless they opt-in.
- We understand that the trigger for seeking input from the states is procurement activity that equals or exceeds \$500,000 in value. It was reassuring to hear that there are no plans to reduce that threshold.
- You were helpful in pointing out that the Davis Bacon Act, which requires a prevailing wage be paid for federal projects, and the Berry Amendment, which requires the Department of Defense to give procurement preference to domestically made goods for the military, will not be impacted by procurement provisions negotiated in the TPPA.

The Commission is so fortunate to have access to and input from people directly involved with the important responsibility of negotiating international trade agreements. Please accept our sincere gratitude for your thoughtful and helpful participation at our September meeting.

Sincerely,


Senator Roger L. Sherman, Co-chair (DDF)
Maine Citizen Trade Policy Commission


Representative Joyce A. Maker, Co-chair (DDF)
Maine Citizen Trade Policy Commission